

Notification of Type of Audit

Contractor Name:

Contract Number:

The Contractor, as indicated below, agrees to obtain one of the following audits. Please check the box that applies, enter fiscal year end date, and sign this document. This notification applies to all three years of this contract cycle: FY 2007-2008, FY 2008-2009, and FY 2009-2010.

- ☐ If the Contractor is a Nonprofit Organization (as defined in Health & Safety Code section 38040) and receives \$25,000 or more per year from any State agency under a direct service contract; the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph (3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
- ☐ If the Contractor is a Nonprofit Organization (as defined in Health & Safety Code section 38040) and receives less than \$25,000 per year from any State agency under a direct service contract; the Contractor agrees to obtain a biennial single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph (3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
- ☐ If the Contractor is a State or Local Government entity or Nonprofit Organization (as defined by the Federal Office of Management and Budget [OMB] Circular A-133) and expends \$500,000 or more in Federal awards, the Contractor agrees to obtain an annual, single, organization wide, financial and compliance audit according to the requirements specified in OMB Circular A-133 entitled "Audits of States, Local Governments, and Non-Profit Organizations." An audit conducted pursuant to this provision will fulfill the audit requirements outlined in the first two paragraphs above. The audit shall be completed by the end of the ninth month following the end of the audit period. The requirements of this provision apply if:
- a) The Contractor is a recipient expending Federal awards received directly from Federal awarding agencies, or
 - b) The Contractor is a subrecipient expending Federal awards received from a pass-through entity such as the State, County or community based organization.
- ☐ If the Contractor is a State or Local Government entity or Nonprofit Organization (as defined by the Federal OMB Circular A-133) and expends less than \$500,000 in Federal awards, the Contractor is exempt from Federal audit requirements for that fiscal year, but records must be available for review or audit by appropriate officials of the Federal agency, the State, and General Accounting Office (GAO).
- ☐ If the Contractor is a For-Profit entity, Federal audit requirements do not apply. The Contractor agrees to comply with all applicable program requirements. Methods to ensure compliance include monitoring during the contract term and may include post-award audits. Records must be available for review or audit by appropriate officials of the Federal agency or State agency.

Fiscal Year End Date:

2007-2008

2008-2009

2009-2010

Authorized Signature

Date

Title

Return this original signed document to:

Ivo Klemes

Fiscal Analyst

Community Based Care Section

Office of AIDS

California Department of Health Services

MS 7700

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